

Scoping Study for
Gender-Intelligent Economic Growth
Work of USAID, Pakistan



Entrance of a Woman Entrepreneur's Newly Opened
Barber Shop for men in Islamabad, Pakistan

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Introduction

This is a scoping study to recommend to the Economic Growth (EG) section of USAID how to plan and conduct gender intelligent work in Pakistan. In close collaboration with the EG team, two international consultants in January 2007 carried out a mission with the twin objectives to assess obstacles and needs in the Pakistani context and indicate opportunities for engendering economic growth work. Indeed, this report is a starting point for incorporating gender as a cross-cutting theme in the ongoing and future economic growth initiatives of EG-USAID.

USAID has official policies that mandate the consideration of gender implications for USAID programming. The 1973 Percy Amendment to the 1973 Foreign Assistance Act first required USAID programs to “to give particular attention to those programs, projects and activities which tend to integrate women into the national economies of foreign countries. . . “. Additionally, there are supporting documents such as the USAID Policy Paper on Women in Development (1982), a Gender Plan of Action (1996) and a Guide to Gender Integration and Analysis. Among international organizations such as the UN, OECD and World Bank, there have been numerous declarations and policies which confirm member state commitments to support policies and programs that facilitate and sustain the increased empowerment of women. Moreover, a prolific amount of evidence confirms that successful development efforts are contingent upon policies, programs and projects which take into account gender perspectives as well as gender differentiated impact analysis.

The successful engendering of USAID policies and programs is dependent on the interest and training of USAID personnel in the field. All too often, the commitments expressed at the highest policy levels fail to be accompanied by coherent and deliberate implementation in USAID field offices. To the extent that gender remains an invisible issue to practitioners, partners and beneficiaries, development initiatives will not be as effective or sustainable.

Gender is considered a cross-cutting theme in USAID-Pakistan’s five thematic areas of work. Despite this fact, almost all of USAID’s projects have a weakly articulated gender focus. This happens to be the case even though USAID makes gender screening a pre-requisite of project approval. The division of work in vertical sectors such as economic growth, governance, health, education and earthquake reconstruction, as well as subsequent budgeting, reporting and performance appraisal, results in theme-specific targets and projects that do not encourage or appreciate gender related indicators. Numerous reasons explain the lack of a systematic gender focus by USAID-Pakistan; the primary factor however is attributable to the absence of an adequately qualified gender-focal-person exclusively appointed for this purpose.

Some thematic areas fare better than the others in terms of gender aspects of their projects. This is not because of their deliberate focus on gender intelligent work. It is rather incidental because of the prevalence of females in certain sectoral areas due to social or

cultural reasons or particular pull factors from the Pakistani government affecting USAID work. The proportion of females in education and health sectors, for example, is much larger than any other productive sector in Pakistan. In past and recent political reforms, the Government of Pakistan has increased the number of seats held by women in the federal, provincial and local legislatures. The increased participation of women (by selection) in the political process has pulled donors like USAID who work in the area of governance to engage and work with these female legislators.

Economic growth however, remains an area of work in which gender considerations have been invisible. Unlike in education, health and governance where gender disaggregated data has become a universal norm, EG has remained associated with parameters, variables and indices like productivity, competitiveness, GDP, GNP, trade, exports and per capita incomes that are considered by some practitioners to be gender neutral. The assumption is that economic growth will take care of these disparities in the long run. If considered at all, the gendered aspects of economic policies, programs and projects are merely brought as a passing reference or by simply gauging the impact of economic activities on gender.

The inadequately developed gender focus of the EG program in Pakistan is not an exception to a universal rule. This is especially true for USAID Pakistan whose work in the recent past has not emphasized an active gender element. Nor has there been significant gender pull from the Government of Pakistan which is desperately trying to improve its rankings on so called gender neutral economic indicators.

Nevertheless, there are many compelling reasons to have a gender focus in development work in Pakistan, including the sector of economic growth. Gender matters, and not just in domains such as education or health. The presence (or absence) of men (or women) should not be equated with gender neutrality but gender differentiation. To mainstream gender in policies, projects and programming requires systematic analysis and evaluation of the differential roles and situations of men and women, the type and impact of gendered relations, the socio-political institutions and structures that produce gender-based constraints and effects and a systematic methodology for gender intelligent analysis throughout the project cycle – planning, implementation and assessment.

Looking at Pakistan and Economic Growth through a Gender Lens

It is imperative to understand the unique socio-cultural context of Pakistan before planning to “engender” economic growth. A characteristic feature of Pakistani society is its family orientation and an inside/outside (private/public) dichotomy of gender relations. The intensity of this social feature may vary from urban to rural areas and from one province to the other but its flavour can be seen almost everywhere in Pakistani society. The male members of the family are supposed to take care of the productive or more

precisely, the remunerative aspect of public life while women work in private, “inside” their homes. They bear and rear children, maintain social relationships with the extended family and friends, perform household work and provide unpaid labor for the productive activities of their husbands or family members. The gendered division of work effectively prohibits women from participating productively (and remuneratively) in the economic growth of Pakistan.

Another important feature of Pakistani society is a cultural restriction on the mobility of women. This restriction is due to concerns for the safety and security of women who venture outside the home and fear that the family will lose “reputation” or “honour” due to illicit relationships in which females might become involved (either through consent or by force). Secondly, and related to the former problem, is the social stigma attached to women working outside the home.

A number of factors are altering these social norms but the pace of change still is incremental. Two potent forces of change are the spread of secular education for women and men and increasing economic pressures. Pakistani women - especially those from the middle class - are now emerging and participating in the productive sphere of life both as employees and as entrepreneurs but their ratio of participation, as compared to men, is still very small.

The Labour Force Participation Rate (LFPR) of women was recorded at 16% by the latest Labour Force Survey (LFS) conducted by the Statistics Division of the Government of Pakistan in 2003/04. By contrast, the LFPR for men was 70.61%. Fewer women are employed in the urban areas (9.44%) than in the rural sector (19.45%) where women provide unpaid labor in farming, poultry and animal husbandry activities. According to the Pakistan Country Gender Assessment Report of the World Bank (2005), most urban women engage in unskilled service jobs which offer low wages

As compared to other developing countries, the level of entrepreneurial activity in Pakistan is low. According to the first Economic Census of Pakistan (ECP) there are close to 3.3 Million businesses in Pakistan and 99% are Micro, Small and Medium Enterprises (MSMEs). The percentage of female employers within this segment is not known as the cleaned and verified data of the survey is not available yet. However the existing datasets indicate that the level of entrepreneurial activity of women is extremely small. The latest Population Census of Pakistan 1998 speaks of 15,000 women doing business in Pakistan. The LFS of 2001/02 indicates that there are 0.3% female employers in Pakistan. There could be variations in these numbers but all speak of a very small number of women engaged in doing and managing business in Pakistan.

Women entrepreneurs work in businesses where male interaction is low (due to women’s decreased bargaining power) and where lesser travelling is involved (owing to mobility problems). This, in turn, restricts women’s economic participation in the local and domestic markets (through agents or male members of their family), thereby diminishing

the economic growth potential of women and by extension, the economy. A number of studies commissioned by the ILO, USAID and the World Bank indicate that the rate of female entrepreneurship in Pakistan is increasing despite many social and cultural obstacles. This is truer in the case of educated and middle class women who wish to adopt entrepreneurship as a career option provided that there is a conducive environment in which to start and grow their business.

The Challenge and Problem Statement

A recent groundbreaking study by the International Monetary Fund (IMF) reports that inequality between women and men is costing the world billions of dollars a year in lost economic growth. A survey of more than 40 rich and poor countries found that the gender divide reduced economic growth in these countries (although economic growth tended to narrow the gap between the sexes). This is particularly true in Pakistan, a classic case in which almost half of the female population remains virtually excluded from the productive sphere of life. The challenge for increasing women's participation in the public sphere is complex because of several interdependent social and cultural dimensions. However, it is not impossible. We define this challenge from the perspective of productive participation of females in economic growth and approach it from two foci: how to increase female participation in the labour force and how to help women grow their businesses?

From the perspective of EG-USAID, it needs the capacity to plan and execute economic growth projects that are gender intelligent. In terms of project design and functional operation, these projects could include gender as a cross cutting theme or function as standalone projects specifically focused on women's employment and/or entrepreneurship. The type of holistic, national impact desired by EG requires contact with domestic and international stakeholders, including the male and female citizens who are beneficiaries of and participants within EG policies and programs. Insights from the on-the-ground situation need to inform the entire project cycle, otherwise USAID risks designing and implementing policies, programs and projects which are ill-suited for the particular context of Pakistan and/or improperly executed and maintained.

In order to make persuasive recommendations to EG-USAID based on current realities, the project consultants deemed it necessary to go beyond the secondary data of research reports, gender assessments and project evaluations by other donors and NGOs. Given the complexity of Pakistan's political, legal, cultural and economic systems, field consultations included individuals from rural and urban communities who represented diverse economic, regional, social, and gender identities.

Strategy and Process of Scoping Study

Our field visits provided a valuable method for judging the constraints and opportunities associated with facilitating increased economic empowerment for women. The mission worked on three parallel tracks:

- 1. Gender review of existing EG projects** – This was done together with the help of the EG team (The process of review was already in motion and the ongoing projects had provided gender disaggregated data on the composition of their project teams and the beneficiaries of their projects)
- 2. Understanding the employment Environment for females as well as policy, legal and regulatory issues** –
 - a. Meetings with policy makers like the Minister for Women’s Affairs, Advisor to the Minister as well as an Ex- Minister for Women’s Affairs (presently the Federal Minister for Tourism) and a female parliamentarian who is the parliamentary secretary for the Statistics Division. These sessions provided information about the government’s strategy and policy measures for empowering women, especially their economic empowerment
 - b. Consultations in Islamabad, Lahore and Karachi with academia (i.e. Government College University (GCU) and National College of Arts (NCA) in Lahore) to understand how research and academic work could increase female LFPR and support women’s economic participation
 - c. Focus group with female employees of a private sector organization in Islamabad to extend knowledge about the social and cultural issues associated with employment, mobility and economic participation of middle class women in an urban setting
- 3. Assessing the Women’s Entrepreneurship Development initiatives** –
 - I. Visit to a successful government initiative called “Women’s Development and Welfare Centre” (Qasr-e-Behbood) in Lahore to understand its organizational arrangements, operations and institutional capacity for producing international quality goods and services
 - II. Visit of Women Chambers of Commerce and Industry (WCCI), Lahore Chapter to understand how they are positioning themselves to encourage and help their members to start and grow their businesses

- III. Visit of a private enterprise “Karavan Kraft (KK)” head office and its operations in a peri-urban area. KK is a private firm engaged in organizing the production of women made handicrafts and embroidery at the local level and adding value by marketing it in the city of Lahore
- IV. Meetings with the Women Entrepreneurs Cell of Karachi Chamber of Commerce and Industry (KCCI) and Federation of Pakistan Chambers of Commerce and Industry (FPCCI) in Karachi to know about their plans and programs on the promotion of women entrepreneurship
- V. Meeting with the Centre for International Private Enterprise (CIPE), Karachi as they are in the inception phase of developing a Women Entrepreneurship Development Strategy
- VI. Four focus groups (two with women and two with men) in Balakot and surrounding rural areas affected by the earthquake to evaluate how women could participate in economic and productive activities together with men and how the latter would respond to such USAID initiatives
- VII. Meeting with the head of Women Entrepreneurs Development Cell of the Prime Commercial Bank to know how private commercial banks are approaching and addressing the issues of access to financing for women entrepreneurs
- VIII. Meeting with a UNDP-Nestle project team in Lahore to know how they are training rural women from Punjab in animal husbandry and helping them start their own business and also to know the social issues and cultural inhibitions of working in the rural areas

The following is a comprehensive summation of the different constraints, opportunities and spill-over possibilities identified through our team consultations.

Factors that impact/constrain women’s economic participation:

- political, cultural and/or religious value systems that discourage or prohibit women’s paid labor;
- legal, political and organizational limitations (e.g. “sunset laws” that require women to return home from work by sunset; inadequate associational opportunities for networking and mobilization such as those provided by trade unions and business associations);
- self-perception and actualization (the extent to which women perceive themselves as skilled and economically viable participants in the market, local or otherwise);
- extent of education and literacy;
- knowledge of legal, political, financial and economic opportunities;

- health care status;
- demographic variables affecting single women versus married women; rural versus urban (e.g. the needs of rural women for improved energy and water resources); economic class; regional location; sector of economic activity; and the degree of cultural/religious conservatism;
- inadequate access to safe transportation;
- lack of child care and insufficient maternity leave;
- the segregation of women in the informal sector, and in low-wage jobs;
- the marginalization and weak capacity of gender focal points in government ministries, as well as the insufficient capacity and resources of the Ministry for Women's Development

Needs/Opportunities:

- increased access of women to knowledge, vocational training, transportation, markets and finance (including leadership and entrepreneurial training for the entire value chain);
- social reforms such as maternity leave, child care provisions and administrative and legal reforms;
- enhanced knowledge of and opportunities for women to access micro credit;
- greater access by the rural poor to micro credit and grants, especially in the earthquake recovery zones;
- gender intelligent programs that address the perceptions and needs of both women and men;
- deliberate consideration and mainstreaming of gender intelligent programming throughout Pakistani government ministries;
- improved access of women into higher earning jobs, rather than low-wage sectors;
- superior benchmarking and performance indicators for gender intelligent policies, projects and programming initiatives

Spill-Over Possibilities:

- increased consumerism and participation in the domestic and export economy;
- a reduction in violence against women through an aggregate increase in family income;
- a decrease in the number of men drawn to extremist activities due to persistent poverty and lack of sustainable economic participation;
- improved economic growth and sustainability for Pakistan, including in the regional and global economy;
- enhanced quality of life for children through earned income spent on education and health;
- better prospects for expanding next generation income potential by raising the overall human capital (and security) of Pakistani citizens;
- sustainability and expansion of women's political empowerment

Another important activity of the scoping study was a **roundtable meeting held in Islamabad with key donors whose work focuses on gender and economic growth**¹.

The aim of the meeting was to highlight and discuss the past successes and failures of different donor projects (including best and worst practices); project implementation methods; and ongoing and planned gender interventions. Roundtable participants shared their experiences and expectations based upon their work with the government, civil society organizations and other stakeholders. The meeting helped to clarify donor perspectives, their positions, past experience and ongoing work in this area.

Common themes that emerged from the international stakeholder roundtable discussion about gender and economic growth:

- senior leadership matters (because these individuals impact the success of gender focal points within ministries and the quality of gender programming) as does political will;
- the importance of systematic documentation of best (and worst) practices and regular distribution of reports to stakeholders;
- the importance of enabling policies;
- the need to leverage the ethic and commitment to corporate social responsibility of the private sector;
- the need for better data about the informal sector;
- the importance of placing officials inside domestic government ministries (“twinning”);
- the local government level needs increased attention;
- more in-depth sectoral analysis is required;
- new project implementation in the energy and water sectors, both of which are neglected areas of donor activities that if addressed, could make an extraordinary impact on the lives of rural women;
- the problems associated with the decline of trade unions and industrial associations under military rule;
- the Ministry of Women’s Development has an under-developed capacity but a strong commitment to specifically developing initiatives with a focus on women’s economic empowerment;
- there is a concomitant need to work with other key government ministries, such as the Ministry of Industry, Commerce, Social Welfare, Interior and Agriculture

Lastly, a series of meetings were also held with the other divisions of USAID (DG, Education, Health, Earthquake Reconstruction and FATA) as well as with USG Pakistan (NAS/ICITAP, ODRP, POL and ECON). These sessions provided an important overview

¹ A list of attendees of the meeting is placed at the end of this report as Annex-A

of USAID and USG activities and the ability to determine where there might be activities and projects of overlap between EG's work and other US actors. As many officials attested, USAID has an absence of gender-based performance indicators and mechanisms for accountability. Gender considerations were more visible in the work being carried out by the other departments of USAID than by EG or USG-ECON, both of which have tended to approach economic growth and development work in gender-neutral (or gender blind) terms, for reasons elaborated upon earlier in this report.

In terms of USG, openness and expressed understanding about the importance of engendering US strategies and programs varied by USG department and official. The most typical response (for understandable reasons) was to view gender in terms of numerical quantification of female program beneficiaries and participants. For example, NAS/ICITAP explained that there were few women in the Pakistani police services and only a few who have decision-making capacity; its training program from October 2005-September 2006 had 40 female participants out of a total of 1386. It has offered a women's only course that focused on immigration and customs issues but it perceives its capacity building program as having been gender neutral, despite the fact that there are clearly gendered aspects (and implications) of its training curriculum. The same would hold true for ODRP.

The adoption of a USG-Pakistan Gender Policy will be an important mechanism for encouraging US personnel to move beyond cursory references to gender to the institutionalization of coherent, deliberate, and systematized procedures for gender analysis and mainstreaming. But, the success of the USG Gender Policy will be dependent on personnel who are competent and knowledgeable about procedures of gender analysis and mainstreaming, officials who will be able to guide the development of appropriate indicators, benchmarks and evaluative procedures. While each department of USAID and USG must learn to make gender visible in appropriate ways for their respective mandates (and to "own" the process), it would be beneficial for a full-time Gender Adviser to be appointed, for USG to form a gender committee that would routinely meet to provide oversight capacity and program review/evaluation and lastly, for each department to consider utilization of short-term consultants with expertise in specialized aspects of gender mainstreaming relevant to their respective areas of work.

USG departments, including USAID, are understaffed. Not everyone is skilled in ways to mainstream gender as a cross-cutting issue in policies and programs. In particular, a full-time Gender Adviser would be able to facilitate greater connectivity and coherence across the work of USG-Pakistan (through a formal liaison capacity with other departments, and by chairing a newly-established gender committee comprised of departmental representatives). Additionally, this person would also have the time and resources to network with other donor representatives in Pakistan, a task that "double-hatted" officials simply do not have ample time to pursue. The appointment of a Gender Adviser would not diminish the responsibility of each department (and its contracting partners) to implement the USG gender policy, but it would provide the added benefit of

strengthening the accountability and commitment to gender analysis and mainstreaming for USG-Pakistan.

Recommendations to EG-USAID Pakistan

Based upon our scoping mission, we offer the following recommendations to EG-USAID, any of which could be pursued as independent studies or projects.

1. Study to devise a strategy and action plan for incorporating gender in the ongoing projects of EG-USAID

The first five year cycle of EG activities was executed in four diverse program areas of agriculture, financial services, competitiveness and Science and Technology (S&T). The projects within four program areas were further spread over a wide spectrum. The financial services, for example, included poverty alleviation loans by Khushhali Bank, bigger microfinance loans by the Shore Bank and capacity building and enterprise development loans for small businesses by Pakistan Poverty Alleviation Fund (PPAF). There was hardly any requirement of producing a gender score card. The gender disaggregated data shows dismal performance both in terms of female employment in the USAID funded project as well as a small proportion of females as beneficiaries of these projects.

There is hardly any program or project that demonstrates impressive gender results for other donors to emulate. Different strategies, action plans and indicators would be required for each one of the diverse programs and projects that are currently managed under the umbrella of EG. The easiest (but not the best) solution would be to allocate numeric targets for employment of females in USAID financed projects as well as number (or percentage) of females as beneficiaries. Setting quantifiable targets for female employees might be an important first step for mainstreaming gender considerations in EG projects but it would not be advisable for EG to rely on numeric targets as its primary mechanism for gender intelligent programming and evaluation. Simply put, sustainable achievements will not be possible through approaches or strategies that focus on women alone. Gender intelligent analysis in EG requires a sector by sector approach, one which mainstreams knowledge of gender-differentiated constraints and effects at all stages of the project cycle.

It is suggested that EG commission a study to undertake a gender review of existing EG projects, including recommendations for incorporating gender considerations in each stage of the project, specific gender indicators (distinguishing among inputs, outputs and outcomes), and reporting format requirements. These strategies, action plans and indicators have to be developed after consultations with the Chiefs of Parties/ Project

Managers so that they are in synch with the project realities and plausible in terms of implementation and USAID reporting structures.

As part of the gender review study, a secondary investigation should be taken of the approaches, strategies and projects currently underway by other donors in Pakistan. The outcome of the study is a summary assessment of donor activities, best practices and identification of possible points for collaboration/further contact. While EG lacks experience in mainstreaming gender in its projects, other donors have valuable insights that warrant further reflection as EG moves forward with its programming decisions. An added benefit will be to help EG systematize its contacts with representatives from those international agencies and bilateral donors who are most actively engaged in developing cross-cutting linkages between economic growth and gender initiatives.

The proposed duration of the assignment is 50 working days. One national consultant with approximately 7 years of experience in gender and economic development projects can be engaged for 30 working days while an international consultant of 10+ years of experience in this area can work for 20 days to complete the assignment. It is anticipated that the assignment would cost around US\$ 50,000 for a two person team.

2. Study to evaluate the possible benefits (and costs) to EG collaboration with other USAID projects (Health, Education, Governance, and FATA)

USAID Health, DG, Education and FATA are currently involved in projects which might be of interest to EG given the implications for economic growth and women's economic empowerment, namely, the "Districts That Work" program and the expansion of women's crisis centres into multipurpose women's development centres (USAID DG), the USAID-Health initiative of supporting female health care workers/midwives, the Educational sector support of vocational training and the possibility of partnering with the ROZ initiative in FATA. It is suggested that a study be conducted in order to evaluate the costs/benefits/rationale of EG collaboration with other USAID counterparts. The proposed duration of the assignment is 25 person days.

3. Study to understand gender specific employment barriers in the private sector and the creation of a working environment conducive for women

To rectify the lopsided gender balance in the labour market, the low levels of female LFPR would need affirmative actions by the Government of Pakistan. It was learnt in a meeting with the Ministry of Women's Development that the Government of Pakistan is about to announce a policy to enforce a mandatory minimum of 10% quota for female employees in the public services. This is just one step. The real challenge would be to create opportunities, the right incentives and a conducive environment for females in the private sector. The institutional capacity of the government, especially the Ministry of Women's Development, to undertake research and understand the dynamics of the private sector is limited.

What can be done to increase female LFPR in Pakistan? There is no magic wand that would do the trick, no single panacea. Many approaches adopted by the Pakistani government, donors and civil society organizations have met with limited success. And, invariably, all project and research reports cite deeply embedded social and cultural norms and mobility constraints as the primary obstacles to increasing women's paid economic labor.

However, some intriguing questions remain. Why do the sectors of education and health have a social sanction for females' employment? It is often quoted that more than 50% of primary school teachers in Punjab are females. The same is true for the health sector as most nurses and doctors are females. Do these women use public transport? Why is mobility not an issue for them and for their families, when a majority of women come from the middle and even lower middle class?

A clue to this puzzle was found in the focus group meeting with the female employees of a private company in Islamabad. The employers decided to invite the male guardians (father, brother or husband) of the potential female employees to visit the office premises to make sure that the working environment was appropriate. They also arranged a lunch facility within the premises of the company so that female employees do not have to go to the market to eat. Another innovative measure was the provision of a travel allowance to hire taxis for female employees who work late hours. The result was an overwhelming response from female candidates who applied for jobs at the company.

One obvious solution to the problem of female LFPR is to create and sustain a working environment conducive for female employees, in ways that provide equal satisfaction to both male and female family members. There is a second element worth attention, however. The social acceptability of female employment in the education and health sectors also lies in the notion that these two sectors are good for females because there is less male-female interaction. There is hardly any research in this area; but it is likely to be an erroneous perception given that the majority of patients seen and treated in hospitals are often men. Hence the second key solution for redressing problems of LFPR is the creation and maintenance of perceptions about socially acceptable sectors and workplace environment.

There are many other complex factors that contribute to fostering an enabling employment environment for females. This includes the policies, regulations, legal and institutional systems that support the working environment in a country. Pakistan has a typical patriarchal society where these systems have been instituted either by male dominated parliaments, bureaucratic organizational structures or martial law ordinances. It is very likely that these systems -- often considered to be gender neutral -- have some negative biases against female employment. For example, there have been instances where regulations enacted by the government with good intentions have backfired and actually have worked against the very cause of female employment. One such example is

provided in an ILO study on the garment sector of Pakistan. The study indicated that a regulation by the government that restrains employers from keeping female employees at workplaces after the sunset actually inhibits their employment opportunities.

In order to make future programming decisions, EG-USAID is advised to institute a comprehensive gendered review of existing political, legal, institutional and operational factors that impede women's labor force participation and economic empowerment. It is suggested that a research study is carried out that investigates the working environment for women in general as well as for female participation in targeted sectors of the economy. The final report of research will indicate areas of reform that are necessary if a conducive labor environment for women in Pakistan is to be cultivated and maintained, one that takes into account the perceptions and needs of both men and women.

- **3.a)** Review of business, labour (especially employment), trade and small enterprise policies at the federal and provincial level to indicate anomalies, potential negative biases and suggest changes to make them more female friendly
- **3.b)** Scrutinize legal and regulatory structures at the federal, provincial and local levels to determine how they affect the employment of women in the productive sectors of the economy and suggest changes

(60 person days for each assignment – A team of one international and one national consultant required for each of the above assignments. Cost approx. US\$ 1, 50,000)

- **3.c)** Design and conduct a questionnaire survey of approximately 2000 respondents to assess the issues and problems of 3 segments of working women (unmarried, married and married with children) in the corporate and small enterprise sector in 9 major cities of Pakistan (Karachi, Lahore, Islamabad, Rawalpindi, Peshawar, Quetta, Muzaffarabad, Hyderabad, and Sialkot)

(120 person days – One international consultant for questionnaire design and distance supervision for 20 days, one national team leader and a local firm with surveyors, enumerators, key punch operators and data analysis specialist for 100 days. Cost approximately US\$ 100,000)

- **3.d)** Organize a national essay/project competition on “Ways and Means to Address the Needs of Working Women” in Pakistan. This would include writing a project description for the competition, preparing an advertisement, placing it in the national dailies, collecting entries, making a panel of judges and reviewing the essays/project ideas and organizing a prize distribution ceremony for five winners

(100 person days - Two international consultants (for 30 days each) who could also be reviewers/ judges for the essay competition and a local consulting firm/ academic institution that could organize the whole activity - Cost approximately US\$ 1, 50,000)

- **3.e)** Develop sector strategies and action plans for increasing female employment in three² targeted sectors of the economy; Tourism³, Gems and Jewellery⁴, and IT and Telecommunications⁵

(180 person days in total - 60 for each of the three sectors while each sector having one international consultant for 25 days and one national for 35 days - Cost approximately US\$ 2, 00,000)

- **3.f)** Prepare a feasibility study for establishing a “ Centre for Policy and Action Research on Women’s Economic Empowerment” with detailed background, activities, areas, financing requirements and sustainability issues

(180 person days in total – International Consultant as Team leader for 30 days, one national expert in financial analysis for 20 days, one national expert in market analysis for 20 days, one international expert on women’s economic empowerment for 20 days and a national expert on women for 30 days and a national project manager for 60 days) - Cost approximately US\$ 3, 00,000)

² It is not advisable to work in the livestock and dairy sector as almost every donor either has already done so or is in the process of carrying out a project within this sector.

³ Tourism is proposed for a number of reasons. Firstly this is already a socially acceptable sector for female work. Young females are visible in the hotel industry and in travel agencies, but very few serve as tour guides. Hence there is a good potential to build on this need. Secondly the Minister for Tourism is a woman who has been an activist and a champion of women’s economic empowerment. She is very keen to increase women’s participation in this sector. Thirdly the year 2007 has been declared “Destination Pakistan Year” and a lot of activity will be generated which will make efforts in the tourism sector very visible. Fourthly there is a great potential for creating role models and projecting them through media outlets.

⁴ Firstly this sector has a great potential for both female employment and entrepreneurship as gems and jewellery are a typical female domain. Secondly the design of gems and jewellery has a significant aesthetic element which goes well with the female sex and many women entrepreneurs are venturing into this area. Thirdly there are already women clusters of silver jewellery that have been identified in some areas like Bahawalpur in Punjab where further projects could be initiated. Fourthly USAID already has worked in this sector. Fifthly it has been declared as a priority sector by the government. Lastly, a motivated women entrepreneur has been identified who can take a lead in any new initiative

⁵The IT and Telecommunications sector is the new socially accepted domain for female work in Pakistan. The demonstration effect was generated from neighbouring India where a lot of girls work in the software industry, Call and other IT Service Centres. The Government of Pakistan is establishing software and IT Parks in almost all large cities of Pakistan and so it is a propitious time to focus on this domain

4. Scope of Work for the Design of “Promoting Opportunities for Women Entrepreneurs” Revenues (POWER) Project

Women in Pakistan traditionally have been the “silent contributors” in the productive sectors of the economy. They contribute considerably in terms of their unpaid labour both in the urban and rural areas but do so mostly in the private sphere as men are supposed to play (or projected to play) the role of bread earners for the family. A survey of women entrepreneurs in Pakistan by the ILO in 2003 noted that the rate of women entrepreneurship in Pakistan has increased significantly since the economically difficult decade of the 1990s which resulted in mounting economic pressures on middle class families and prompted women to work independently. A recent survey by USAID in Karachi also indicates that almost half of female students in the universities and colleges of higher learning wish to pursue entrepreneurial careers.

Research and empirical evidence suggests that women entrepreneurs in Pakistan generally engage in low value added activities, use low-tech or archaic production techniques, produce traditional designs and transact only in the local markets due to socio- cultural reasons. Several studies and donor projects indicate that embroidery, ceramics, pottery, glassware, decoration candles, weaving, artificial jewellery, textile design, handmade paper products, and bangles are typical women entrepreneur’s domains in Pakistan.

Access to markets is probably the biggest constraint on women entrepreneurs’ growth of business. While women can produce products at their homes or informal community centres they are unable to market them in the high value markets. They generally sell these products in the local markets through the male members of their family that fetches them a very low price. They are also unaware of market demand and trends in the high value markets. Hence they remain trapped in a low value added vicious circle producing cheap things for local markets and earning small amounts of money for subsistence living. This vicious circle can be broken if women receive **information** about the high value markets as well as **access** to these markets.

Two successful interventions in Lahore and Karachi have proved that improvement of market access can play a phenomenal role in increasing earnings of women entrepreneurs. Karavan in Lahore is a private sector enterprise development initiative which is run and managed by women. They have managed to understand market trends and designs and to link it to an informal production activity in the suburban areas of Lahore. It is backed by a quality control system and the establishment of a supply chain that results in a posh marketing outlet in Lahore.

A somewhat similar project for improving the market access for rural women entrepreneurs (in the embroidery sector only) is financed by USAID in the province of Sindh and called “Behind the Veil” project. The business model in this case is slightly different where women are trained as “mobile sales agents” who work as interlocutors

between the producers and high value markets in cities to fetch a better price for the products of women entrepreneurs. Small and Medium Enterprise Development Authority of the Government of Pakistan and the Women's Chamber of Commerce and Industry in Lahore are also considering opening up shops in the cities and providing access to women entrepreneurs in city markets. Additionally, some very successful women welfare projects like Qasr-e-behbood in Lahore have done very well in facilitating a sustainable training and production activity but they lack information and access to the high value markets that could yield a quantum jump in their revenues and profits.

It is recommended that a standalone project is designed for improving information and access of women entrepreneurs to the export markets with a special focus on Dubai, a neighbouring market located in a dynamic place in the region. The proposed project design would develop a business model to institutionalize a process of acquiring information, enabling Pakistani women entrepreneurs for export and accessing the high end market in Dubai. The business model would include an elaborate design on how to work on the backward and forward market linkages to development all across Pakistan and in the export market of Dubai.

Specifically it will have three major components:

- a). Mechanism for collection of market information (products, trends, designs etc) and collation for the products of Pakistani women entrepreneurs in Dubai and dissemination of that information in Pakistan.
- b). Mechanism for establishing and organizing a supply chain (database of products and producers, sourcing techniques, selection procedures, quality assurance, warehousing, freight forwarding, branding, packaging etc.) in the four provinces of Pakistan, AJK, FATA and Northern areas.
- c). Feasibility study for establishing a display centre and the possibility of selling products at other sales outlets in Dubai.

The institutionalization of support mechanisms in Pakistan for the improvement of products, packaging, and technology etc., the establishment of a common brand name, networking and integration with the respective international supply chains, and access to the international markets will help the middle class women entrepreneurs improve their earnings and socioeconomic status and thereby contribute to the economic growth of Pakistan.

Here are detailed Terms of Reference (TORs) for the Project Design.

Part I
**Establishing a Market information Collection, Collation and Dissemination System
in Dubai**

- Business model for collecting timely information on different products in the market (keeping in view the range of products produced by Pakistani women entrepreneurs), current designs, market trends as well as price data while comparing different options and their pros and cons
- Detailed notes on peak and lean shopping seasons, types of products sold, seasonal variations and adjustments as well as indication of hotspots for selling the available products
- Preparation of database of wholesalers in the UAE with an emphasis on Dubai (one might already be available with the Chambers of Commerce or in the form of Yellow Commercial Pages etc.)
- Ways and means of collating and processing that information in a timely manner and sending it back to Pakistan (questions like what should be the timeline for tapping the market for summer designs? How much lead time will be needed?)
- Different options for disseminating market information to a scattered production base all across Pakistan (institute project mechanisms? Using Trade promotion of Pakistan offices? NGOs? Interlocutors? District government offices of enterprise promotion?)

Part II
**Mechanism for establishing a Supply Chain in Pakistan linked to the Market in
Dubai**

- Preparation of a database of producers (individual women as well as their organizations, cooperatives or private firms) and products in embroidery, ceramics, pottery, glassware, decoration candles, weaving, artificial jewellery, textile design, handmade paper products all across Pakistan, AJK, FATA and Northern Areas. Ample secondary data is already available with the federal, provincial and local governments, donor projects, NGOs and private companies engaged in the production and marketing of women entrepreneur's products. This would also include a list of women exporters (available with TDAP, Chambers of Commerce, SBP, FPCCI etc)
- Developing a work plan to improve the design, quality, packaging and standard etc. of Qasre-Behbood, Lahore products to make them exportable to Dubai

- The process and work plan to establish a common international brand name for women exporters, marketing strategy for promoting the brand name and challenges and issues anticipated in this process

Part III

Preparation of a feasibility study for establishing a Women Entrepreneurs' Product Display Centre at Dubai

- Market analysis and background information on existing handicrafts and women entrepreneurs display centres if any
- List of possible locations for the display centre in Dubai and their pros and cons along with a recommendation for a the most plausible location
- Full Fledged financial plan and financial analysis including cash flows statements, revenue projections, cost estimates (fixed and operational) and break even analysis etc.
- Detailed human resource requirements with their terms of reference and proposed salaries compatible with the market
- Proposed layout plan

Part IV

Project Design

- What could be three possible business models to organize the project? Which one is the most plausible and why?
- An elaborate design of the most plausible business models detailing each and every part (governance, organization, activities, outputs, operations, national and international HR requirement, estimated budgets, as well as proposed indicators for measuring output and impact) as well as project summary in a log frame
- Sustainability strategy – What would it take to make it profitable and commercially sustainable? What should be the exit strategy for USAID?

Human Resource Requirements for the assignment

It is advisable to engage a firm for this project which has either operations or partners in both Dubai and Pakistan. Preference will be given to those teams having more

female consultants. The project design team should preferably have the following human resource and skills;

a. International Consultants - 3

1. Team leader

- More than 10 years of international experience of working on women entrepreneurship development projects
- Deep understanding of issues, problems and socio-cultural context of developing countries having a conservative gender attitude and lesser economic participation by women
- Expertise in export value chains and familiarity with the trade and export related matters
- Requisite masters degree in international development, economics, business administration, women's studies or other related field
- More than 5 years of experience as a team leader and a team member in the design of projects for the donors
- Some knowledge of the Dubai market and Pakistani institutional environment for women entrepreneurship development
- Knowledge of Arabic and Urdu not necessary but an added advantage
Total Person days – 90 (30 in Dubai and 60 in Pakistan)

2. Market Assessment Specialist should preferably be a female or very well versed with the market of fashion, handicrafts and small household products

- 12 years of experience of working in the UAE market with at least 3+ years in dealing with the products like embroidery, ceramics, pottery, glassware, decoration candles, weaving, artificial jewellery, textile design, handmade paper products
- Established expertise in the wholesale and retail trade in Dubai and knowledge of players like Chambers of Commerce, buying houses, freight forwarders etc.
- MBA or a relevant business degree with skills of collecting, collating and disseminating market information
- Familiarity with the development issues and especially in the area of marketing products from the developing countries and projects like Fair Trade Shops etc.
- Fluency in Arabic is not necessary but will be an asset
Total Person days – 20 in Dubai

3. Financial Expert in Dubai

- 7+ years of experience of working in the UAE market to develop feasibility studies and business plans for the commercial or developmental purpose

- Expertise in preparing financial layouts and complete financial analysis like cash flows statements, revenue projections, cost estimates (fixed and operational) and break even analysis etc.
- Chartered Accountant, MBA with major in finance or any other related area from a reputable university
- Good knowledge of UAE market and especially of real estate prices, rentals, utilities, fixed and recurring business expenses etc
- Familiarity with the business environment in Dubai and all legal and regulatory requirements (licenses, permits, fees etc) for establishing and running an international business

Total Person days – 20 in Dubai

b. National Consultants

It is recommended that those bidding for this project design partner with a local consulting or marketing research firm which has an extensive outreach and experience of working in the area of women's entrepreneurship development. The partner firm will carry out the assignment as described in Part-II of the aforementioned project detail. The pre-requisites from the firm would include:

- Extensive outreach and offices all across Pakistan (four provinces, AJK, FATA and Northern areas)
- Established track record of working in the area of economic development and women entrepreneurship, conducting field surveys and studies and working with the organizations and institutions promoting women entrepreneurship in Pakistan
- More than 5 years of experience in data collection, collation and report writing
- Dedicated team of at least 7 qualified personnel who could work as data miners and data collection officers for the project
- Experience of working with the multilateral and bi lateral donors on the development projects
- Capacity of carrying out or hiring consultants to carry out a product/quality audit of Qasr-e-behbood, Lahore to develop a strategy and action plan for making its products and services export worthy
- Capacity to develop a work plan to establish a common international brand name for the products of women exporters of Pakistan and developing a marketing strategy for promoting the brand name

Project Design Duration – 120 Working days

Estimated Cost - US\$ 500,000

Start and End Date – Feb 15 to June 15 2007

Annex – A

Attendees of Donor’s Roundtable Meeting

1. Ms. Fauzia Yazdani from NORAD, Embassy of Norway in Islamabad
2. Mr. Tim Green from the Department of International Development (DfID),
Islamabad
3. Ms. Salma Omar from the Department of International Development (DfID),
Islamabad
4. Ms Faiza Effendi, Gender Support Unit, UNDP, Islamabad
5. Mr. Sajid Baloch, Project Manager of Gender Program, UNDP, Islamabad
6. Ms Rukhsana Rashid from the Canadian International Development Agency
(CIDA), Islamabad
7. Ms. Roshan Ara, European Union (EU), Islamabad
8. Ms. Charlotte Blomhammar, European Union (EU), Islamabad
9. Munawar Sultana, International Labor Office (ILO), Islamabad
10. Ms. Nazia Sehr, Japan International Cooperation Agency (JICA), Islamabad
11. Ms. Gudren Stockel, GTZ, Islamabad
12. Ms. Huma Chughtai, GTZ, Ministry of Women Development Project, Islamabad